

GEORGIA INSTITUTE OF TECHNOLOGY
OFFICE OF CONTRACT ADMINISTRATION
SPONSORED PROJECT INITIATION

Date: 2/2/81

Project Title: Feasibility of Venture in Pelham, GA.

Project No: A-2852

Project Director: Mr. Ed Lewis

Sponsor: Mr. Hilmon Logue *True*

Agreement Period: From 1/10/81 Until 4/10/81

Type Agreement: Standard Research Agreement

Amount: \$3,000 (Advance Payment)

Reports Required: Final Letter Report (due 4/10/81)
Note: No Deliverable Schedule issued

Sponsor Contact Person (s):

Technical Matters

Contractual Matters
(thru OCA)

Mr. Hilmon Logue
Rt. 3, Box 1270
Pelham, GA 31779



Defense Priority Rating: N/A

Assigned to: EDL/IED (~~School~~/Laboratory)

COPIES TO:

Project Director
Division Chief (EES)
School/Laboratory Director
Dean/Director-EES
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Procurement Office
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Project File (OCA)
Project Code (GTRI)
Other Project Code (OCA)

GEORGIA INSTITUTE OF TECHNOLOGY
OFFICE OF CONTRACT ADMINISTRATION
SPONSORED PROJECT TERMINATION

Date: 5/14/81

Project Title: Feasibility of Venture in Pelham, GA.

Project No: A-2852

Project Director: Ed Lewis

Sponsor: Mr. Hilmon Logue

Effective Termination Date: 4/10/81

Clearance of Accounting Charges: 3/15/81

Grant/Contract Closeout Actions Remaining:

- ☐ Final Invoice and Closing Documents
- ☐ Final Fiscal Report
- ☐ Final Report of Inventions
- ☐ Govt. Property Inventory & Related Certificate
- ☐ Classified Material Certificate
- ☒ Other : Check for unexpended funds returned to Sponsor.

Assigned to: EDL/IED (School/Laboratory)

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Project Code (GTRI)
Other GTRI

A-2852-000 / FINAL
REPORT



Georgia Institute of Technology

ENGINEERING EXPERIMENT STATION

ATLANTA, GEORGIA 30332

February 20, 1981

Mr. Edwin L. Lewis
Director
Southwest Georgia Area Office
Georgia Institute of Technology
2402 Dawson Road, Suite 4
Albany, Georgia 31707

Dear Ed:

At your request I have collected factors to consider for the preliminary feasibility of establishing a commercial roller skating rink in Pelham, Georgia. The intent of this letter is to summarize the information gathered in a literature search and information received from the Roller Skating Rink Operators Association. The full information is enclosed.

The needed population base, as described in other feasibility studies, is from 50,000 to 75,000 people per rink in a medium sized city. Depending upon the availability of other entertainment and recreational attractions, a rural area would not require as broad a population base. The current population of Pelham is 7,106 with a probable retail trade population of 21,888. This population base seems very low, however, there appears to be no other full time recreational or entertainment facility in the immediate area. Consideration should also be given to the fact that rinks in other small towns in the area seem to be prospering with a small population base.

The proximity to other roller skating facilities is a primary market consideration. To generate enough income to satisfy the necessary investment, the skating center must be kept busy throughout weekday afternoons and evenings. Slow periods should be filled with private parties, promotions, lessons, and other activities. Consideration should be given to the number of churches, schools, and other youth organizations in the immediate area. Industry surveys have demonstrated that when roller skating facilities are too closely positioned, this adversely affects each rink's ability to generate adequate party bookings.

Edwin L. Lewis
February 20, 1981
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Other factors important in considering the feasibility of this project are the area's economic climate, and the ratio of youth and teenagers within a five-mile radius of the facility. A recent study disclosed 73% of roller skaters are under 18 years of age and 62% are between the ages of six and 15. These young people do not have income of their own and therefore rely on money from their parents for their entertainment. Thus, if the economic climate of the area is not strong or if the number of youth in the area is declining, establishing a rink would be difficult.

Consideration should also be given to the average 10 to 15 years needed to pay off a rink investment. Some speculators believe that roller skating is a current fad and will soon decline in popularity. Others believe that its popularity is just beginning. Roller skating is ranked third behind jogging and bicycling as the best all-round healthful activity. The recognition of roller skating benefits as a cardiovascular exercise, coupled with the advancements in rink sound and lighting systems, are drawing more and more adults to the rink. Many roller skating proponents are hopeful of a roller skating event in the 1984 Los Angeles Olympics. The point is whether the skating rink will remain popular for at least the next 10 to 15 years.

Above all a rink owner must be a promoter, not merely a shopkeeper. Consideration must be given to site selection, total building design, equipment, the pro shop, the snack bar, and the game room. Land requirements for the rink are only about one and a half to two and a half acres, however, this should be positioned as close to the residential concentration as practical. The promotional aspect should be considered not only in this site selection, but also throughout the design of the facility and its operation.

There are many parameters to consider for this study. The task is not easy or simple. This letter only outlines some of what should be considered. At first glance the population base for Pelham appears to be a limiting factor to the feasibility of this project. However, some of the other mentioned factors may compensate for this limitation. If a full feasibility study is needed, please call me, I will be happy to work with you on it.

Sincerely,

Sallie G. Daniell
Research Scientist
Business Development Division

SD:wc
Enclosures

| | MONDAY | TUESDAY | | THURSDAY | | FRIDAY | | SATURDAY | | SUNDAY |
|--------------------------------------|--|--|-------------------|--|-------------------|-------------------|-------------------|---|---------------------|-------------------|
| HOURS | 7:00-10:00 | 3:00-7:00 | 7:00-10:00 | 1:00-5:00 | 6:30-9:00 | 6:30-9:00 | 9:00-11:00 | 2:00-6:00 | 6:30-11:00 | 2:00-5:00 |
| TYPE SESSION | PARTIES MONEY MAKING CLUBS | BIRTHDAY PARTIES | FAMILY NIGHT | BIRTHDAY PARTIES | OPEN | OPEN | OPEN | BIRTHDAY PARTIES | OPEN/ 2 SESSIONS | OPEN |
| COST | \$50 FOR 2 1/2HR PARTY UP TO 50 PER- SONS GREATER THAN 50/\$1. | \$40 UP TO 20 CHILDREN 2 PARTIES AT TIME | \$1.50/ PERSON | \$40 UP TO 20 CHILDREN 2 PARTIES AT TIME | \$3.00/ PERSON | \$3.00/ PERSON | \$3.00/ PERSON | \$40 UP TO 20 CHILDREN 1 PARTY | \$3.00/ PERSON | \$3.00/ PERSON |
| PROBABLE NUMBER OF SKATERS | 50 | 40 | 50 | 40 | 70 | 150 | 150 | 20 | 300 | 75 |
| PROBABLE GROSS SKATE INCOME | \$50. | \$80. | \$75. | \$80. | \$210. | \$450. | \$450. | \$40. | \$900. | \$225. |
| CONCESSIONS INCOME NET | \$25. | -- | \$19. | -- | \$35. | \$75. | \$75. | -- | \$100. | \$40. |

| COUNTY | POPULATION *1 | ADJUSTED POPULATION RETAIL TRADE ADJUSTMENT *2 | SCHOOL ENROLLMENT FOR YR. 77-78 | | | | | POPULATION BY RACE | | | |
|----------|------------------|--|---------------------------------|------------------|--|-------------------------|-------------------------------|--------------------|----------------|------------------|----------------|
| | | | 1-7 GRADE *3 | 8-12 GRADE *3 | TOTAL INCLUDING EXCEPTIONAL AND KINDERGARTEN *3 | PRIVATE SCHOOL *4 | TOTAL SCHOOL ENROLLMENT | % WHITE *5 | TOTAL WHITE | % BLACK *5 | TOTAL BLACK |
| THOMAS | 39,958 | 37,825 | 4,831 | 3,563 | 8,880 | 900 | 9,780 | 60.2 | 24,055 | 39.8 | 15,903 |
| DECATUR | 23,856 | 23,856 | 3,160 | 1,999 | 5,424 | 444 | 5,868 | 58.1 | 13,860 | 41.9 | 9,996 |
| GRADY | 19,189 | 17,535 | 2,555 | 1,708 | 4,539 | 30 | 4,569 | 64.2 | 12,319 | 35.8 | 6,870 |
| COLQUITT | 33,569 | 33,569 | 4,356 | 2,945 | 7,773 | 285 | 8,058 | 76.2 | 25,580 | 23.8 | 7,989 |
| MITCHELL | 20,350 | 21,887 | 2,736 | 1,685 | 4,691 | 500 | 5,151 | 51.4 | 10,460 | 48.6 | 9,890 |

*1 - Data supplied by U.S. Bureau of Census, Albany, Georgia.
Information is per the preliminary census count and are accurate as of 7/1/80.

*2 - Data is adjusted for probable shopping habits based on physical location of enumeration districts within county limits.

*3 - Data supplied by State of Georgia, Department of Education
Per Publication 55340-01

*4 - Data supplied by Southwest Georgia Area Planning and Development Commission, Camilla, Georgia.

*5 - Per 1970 U.S. Bureau of Census

| COUNTY | CENSUS DISTRICT | POPULATION | | POPULATION DISTRIBUTION BY PROBABLE RETAIL TRADE AREAS | |
|----------|-----------------|--------------|----------------------|--|----------------------|
| | | Total County | 1980 Census District | Mitchell County | County Where Located |
| Seminole | | 8,487 | | | 8,487 |
| | Steam Hill | | 2,546 | | |
| | Donaldsonville | | 5,941 | | |
| Thomas | | 36,958 | | | 34,825 |
| | Boston | | 2,710 | | |
| | Coolidge | | 2,081 | | |
| | Meigs | | 1,588 | 1,588 | |
| | Ochlocknee | | 2,178 | 545 | |
| | Pavo-Barwick | | 2,062 | | |
| | Thomasville | | 26,339 | | |
| Decatur | | 23,856 | | | 23,856 |
| | Attapulugus | | 3,298 | | |
| | Bainbridge | | 12,719 | | |
| | Brinson | | 2,708 | | |
| | Climax | | 1,641 | | |
| | Faceville | | 2,217 | | |
| | Parkers | | 1,273 | | |
| Grady | | 19,189 | | | 17,585 |
| | Cairo | | 12,980 | | |
| | Calvary | | 1,545 | | |
| | Duncanville | | 546 | | |
| | Limesink | | 548 | 274 | |
| | Spence | | 1,330 | 1,330 | |
| | Whigham | | 2,240 | | |
| Colquitt | | 33,569 | | | 33,569 |
| | Berlin-Ell | | 2,328 | | |
| | Doerun | | 2,705 | | |
| | Funston | | 4,094 | | |
| | Moultrie | | 21,578 | | |
| | Norman Pk | | 2,864 | | |
| Mitchell | | 20,350 | | | 21,888 |
| | Baconton | | 2,195 | | |
| | Branchville | | 1,369 | 1,365 | |
| | Camilla | | 8,309 | 8,309 | |
| | Pelham | | 7,106 | 7,106 | |
| | Sale City | | 1,371 | 1,371 | |
| | | | | 21,888 | |



Georgia Institute of Technology

ENGINEERING EXPERIMENT STATION

ENGINEERING EXTENSION LABORATORY

Southwest Georgia Area Office
2402 Dawson Road
Suite 4
Albany, Georgia 31707
Area Code 912/439-4188

March 12, 1981

Mr. Hilmon Logue
Route #3, P.O. Box 1270
Pelham, Georgia 31779

Dear Mr. Logue:

At your request, the Engineering Experiment Station at Georgia Tech has taken a brief look at the feasibility of locating a skating rink on U.S. Highway 19 South, Pelham, Georgia.

Since research was limited to an overview rather than an in-depth feasibility study, I can only address the conclusions of the brief observations made. The research included a very in-depth analysis of all printed information concerning the construction, operation, design and long term trends of skating rinks. This information is summarized in the enclosed letter from Sallie Daniell, Research Scientist. We then took a more specific look at the market of a skating rink in Pelham and the probable patrons which would be attracted to such a facility.

In numerous conversations with owners and operators of skating rinks throughout the southeastern United States, it was determined that the average monies expended per person visiting a skating rink is approximately \$5.00. This, of course, is the amount expected per person on a normal skating night and is not to be assumed as the amount per person during special parties, such as church or birthday parties. This amount per person, of course, would be extremely variable and dependent mostly on the attendance at such a gathering. Accepted procedure at a party is to charge a standard amount for up to x number of individuals and charge a per person amount above that.

Based on the total population of Mitchell County and the attendance at skating rinks in communities with net population similar to that of Mitchell County, the population is, in fact, present to support such an endeavor. It must be pointed out, however, that a unique problem does exist in Mitchell County simply because of the existence of two major cities, Camilla and Pelham. The respective population of these towns are quite different and should be considered in a special manner. Should you decide to build a skating rink at your proposed location, all attempts must be made to attract the entire population of Camilla, as well as the population which exists in and around Pelham. The population of Pelham is by no means enough to support a skating rink and attempts must be made to entice the residents of Camilla to consider the rink as a part of their community also.

Questionnaires were mailed to fifty-seven (57) churches within Mitchell County of which eighteen (18) responded, answering basic questions about the active enrollment of their youth, age distribution and probable skating parties. The eighteen churches which responded listed active youth enrollment of 1,028 persons with the following age distribution:

| | | |
|-------|---|-----|
| 0-3 | = | 84 |
| 3-6 | = | 130 |
| 6-12 | = | 241 |
| 12-16 | = | 354 |
| 16-20 | = | 219 |

Nine of the eighteen churches responding stated they would consider having skating parties with a total of 101 skating parties a year to be expected. It is not known whether the churches that did not respond have no desire to participate in skating parties or had total apathy toward any additional recreational activities at all. Again, this fact was not determined since the scope of this study was only to look at the possible attendance and need for a skating rink rather than an in-depth feasibility study.

In considering competitive recreational possibilities, there is very little else in Camilla or Pelham to occupy the interest of the average elementary, junior high or high school student. A well-run skating rink in which the management identifies the true needs of the children and adolescent population of Mitchell County and establishes a program to meet these needs, will serve a very positive role in this community.

In summary, based on the total population of Mitchell County, the expected frequency of skating by this population and the competing recreational facilities existing in the county and adjacent areas, it is expected that such an endeavor could be a very positive, profitable situation. The success of such an endeavor, however, depends on the following criteria: (1) the actual cost of construction of a skating facility, assuming a size small enough to adequately accommodate the population without being an excessive overhead burden, (2) the development and administration of a very sound family recreational program which would be attractive to family members of all ages, (3) a competitive interest rate which would not overburden the net profit margin of the establishment and, (4) a concerted effort to convince all residents of Mitchell County, including those residing in Sale City, Pelham, Camilla and other small communities throughout the county, to consider the skating rink as a county establishment and not simply one for the residents of Pelham.

Sincerely,

Edwin L. Lewis,
Director

ELL/dfa

Enclosures



Georgia Institute of Technology

ENGINEERING EXPERIMENT STATION

ENGINEERING EXTENSION LABORATORY

Southwest Georgia Area Office
2402 Dawson Road
Suite 4
Albany, Georgia 31707
Area Code 912/439-4188

March 13, 1981

Mr. Hilmon Logue
Route #3, P. O. Box 1270
Pelham, Georgia 31779

Dear Mr. Logue:

Enclosed is a copy of the letter which I am writing to you specifically for inclusion in the package you are preparing for the Small Business Administration loan. I felt that there were some additional points that should be brought out, therefore, I am writing this letter to point out facts that you must consider in making your analysis of whether or not you should build the skating rink on the site you have selected on U.S. Highway 19 South, Pelham, Georgia.

First of all, I feel the site you have selected is probably not the best location for a skating rink. I believe a site in Pelham, more on the northern boundary of the city limits of Pelham, would be a more preferable site. The questionnaires which were returned from the churches, indicated an overwhelming desire for the skating rink to be located between Camilla and Pelham. The site you have purchased has advantages as far as price and future location adjacent to recreational facilities within Pelham. However, the site does offer problems to residents of Camilla who will be faced with a decision whether to drive to Pelham or to one of the rinks in Albany to skate. I have little doubt that you will be able to entice most of the residents of Pelham, and immediately adjacent areas to skate at your rink. However, it is absolutely critical that you are able to attract the residents of Camilla and those adjacent areas to also use the proposed rink.

Also enclosed in this package is information received from the Roller Skating Rink Owners Association. Please take time to read the entire fact book. Our Research Analyst at Tech, highlighted several sentences which would be beneficial in your analysis. Also included are articles from various newspapers and magazines throughout the U.S. Please keep this information to eliminate duplication of effort in case you desire additional research from this office in the future.

As pointed out in Ms. Daniell's letter, there are many considerations which you must objectively analyze prior to making your final decision. I have sufficient information, already on hand, to backup some of these areas. Other areas, such as the competition of other recreational facilities in and around Mitchell County, need to be further investigated.

Mr. Hilmon Logue
March 13, 1981
Page #2

Based on the information I received from skating rinks throughout the southeastern part of the United States, I have compiled a listing of possible skating activities for everyday of the week, along with the probable gross income from skating and concessions to be realized on each of these days. You may note that I have assumed \$3.00 per person for skating plus a small amount of concessions. These totals do not total \$5.00 per person, therefore, the projections are extremely conservative. If Mr. Neuhauser can use these figures and justify the existence of the skating rink, then I feel that you should be on very safe grounds. I trust that the enclosed letter will be beneficial in your application to the Small Business Administration for a loan. I also hope that you will take the time to read the enclosed materials concerning trends in skating and the costs and risks involved in building and operating a skating rink.

If you have any questions concerning any of the information included in this package, please feel free to call me at any time.

Sincerely,

Edwin L. Lewis, Director

ELL/dfa

Enclosures